



# County of Los Angeles CHIEF EXECUTIVE OFFICE

Kenneth Hahn Hall of Administration  
500 West Temple Street, Room 713, Los Angeles, California 90012  
(213) 974-1101  
<http://ceo.lacounty.gov>

WILLIAM T FUJIOKA  
Chief Executive Officer

Board of Supervisors  
GLORIA MOLINA  
First District

MARK RIDLEY-THOMAS  
Second District

ZEV YAROSLAVSKY  
Third District

DON KNABE  
Fourth District

MICHAEL D. ANTONOVICH  
Fifth District

September 15, 2010

To: Supervisor Gloria Molina, Chair  
Supervisor Mark Ridley-Thomas  
Supervisor Zev Yaroslavsky  
Supervisor Don Knabe  
Supervisor Michael D. Antonovich

From: William T Fujioka  
Chief Executive Officer

A handwritten signature in black ink, appearing to read "W. T. Fujioka", is written over the printed name and title.

## SECOND PROGRESS REPORT ON EFFICIENCY INITIATIVE

The Chief Executive Office launched the countywide Efficiency Initiative in May 2009, to help address the County's serious fiscal situation due to overall economic downturn and significant funding reductions. The Efficiency Initiative Website was launched in November 2009 to share ideas and projects across departmental boundaries, to monitor the progress of all efficiency projects underway, and to track real dollar savings. Since inception, over 400 efficiency ideas have been submitted by individual County employees. Concurrent with this effort, many departments have devised and pursued efficiency initiatives on their own, including efforts by the Executive Officer of the Board and the Auditor-Controller noted below.

On March 10, 2010, this Office reported the Initiative's progress to your Board, and that an estimated \$132 million in annual savings has been achieved. The annual savings have now grown to \$155 million, and listed below are the additional efforts the County has made since the March report, to further reduce cost and increase operational efficiency.

### Additional Savings from Existing and Ongoing Efficiency Projects

- Department of Public Social Services (DPSS) has successfully transitioned General Relief participants to Supplemental Security Income, and is raising their net savings estimate from \$7.3 million to \$9.4 million.

*"To Enrich Lives Through Effective And Caring Service"*

**Please Conserve Paper – This Document and Copies are Two-Sided  
Intra-County Correspondence Sent Electronically Only**

- The Internal Services Department (ISD), through various efficiency measures and streamlining of operations, reduced its 2010-11 administrative budget by \$3.1 million, information technology budget by \$7.3 million, and fleet maintenance budget by \$2.6 million.
- ISD initiated a countywide review of over 38,000 telephone lines without outbound toll usage (Zero Usage Project), and all departments have achieved 100 percent identification of telephone lines in question. Accordingly, 23,946 lines have been disconnected for a projected annualized savings of over \$4.0 million, which includes approximately \$1.3 million in net County cost savings. ISD will introduce Zero Usage Phase II in the October 2010 at the Expense Management System User Forum to further reduce unused phone and fax lines.
- The Auditor-Controller is piloting online employee paystubs at several County departments, including the Chief Information Office (CIO), Department of Human Resources (DHR), Treasurer and Tax Collector, and this Office. When fully implemented, it is estimate that more than \$1,000,000 can be saved annually through the elimination of all printed paystubs and related staff costs for sorting and distributing them.
- Your Board's Executive Office has implemented various efficiency projects such as a reduction in printing and issuance of agenda booklets through the use of kiosks, the reduction in overtime and 120-day employee usage through process and staff realignment associated with Statement of Proceedings and Held Item Display projects, and the electronic filing of Board Letters by departments. These efforts have generated approximately \$448,000 in annual savings.
- The Public Library, through the use of e-mail and electronic phone notification for overdue materials and items on hold, has increased their annual savings from \$210,000 to \$300,000.
- A Chief Deputies Efficiency Taskforce was formed to examine additional countywide efficiency opportunities. Their first project was the reduction of paper-based countywide publications to employees. Four publications were identified for reduction, resulting in 81.4 percent overall reduction (from 151,213 copies in 2009, down to 28,137 copies in 2010) and approximately \$70,000 savings in annual printing cost.

### **New Efficiency Projects**

- The Department of Children and Family Services (DCFS) implemented the Simple Notice Application Program that generates hearing notices for parties in the Dependency Court, realizing cost avoidance of \$2.98 million to date, and \$12 million annually when fully implemented by November 2010.
- The Department of Public Health instituted Medi-Cal administrative activity claim improvements and achieved \$2.8 million in additional revenue.
- This Office, in coordination with ISD and the CIO, are completing a proof-of-concept project to force desktop computers into sleep mode after period of inactivity. At \$5 per month per computer, the potential savings in electricity consumption equates to \$600,000 in annual savings for every 10,000 computers.
- The Public Library reworked their technical services process related to preparing new materials for distribution to field libraries. The number of days to get a new book to library patrons has reduced from a high of 67 days to an average of eight days, at the same realizing \$400,000 reduction in supplies cost.
- Department of Mental Health (DMH) will be implementing an accident-reporting and online referral system to streamline many manual, paper-based service request and approval processes, and at the same time, gaining the ability to track and measure service quality. The estimated annual cost avoidance for the accident reporting process alone is \$500,000.
- DMH paid off majority of tenant improvements at leased facilities, thereby reducing monthly rental costs and achieving \$230,000 in annual savings.
- DPSS realized \$150,000 in annual savings by modifying messenger pickup and delivery routes, and altering schedules to reduce the required number of trips based on geographical location of their offices.
- ISD has replaced over 700 regular desktop computers with "thin client" devices (mainly at DCFS), with annual energy/support cost savings of approximately \$60,000. The thin client device offers a nearly 50 percent price reduction over a typical desktop computer, at the same time reducing associated support costs. ISD is planning to deploy 5,500 thin client devices during the next 12 months.

- This Office, in coordination with DHR, Auditor-Controller, and the CIO, is exploring the creation of a cell phone stipend program, with the goal of reducing County-issued cell phones since most employees now carry personal cell phones.

### **Common Efficiency Ideas**

In a January 20, 2010 memo (Attachment I) to all department heads, this Office issued a Countywide Efficiency Initiative Checklist, asking departments to strongly consider and implement the 31 ideas listed. In July 2010, this Office conducted a series of efficiency meetings with all department heads, with the goal of sharing experiences and exploring projects/ideas that can be implemented at the cluster level, or countywide. As a result of these meetings, a second set of common efficiency ideas (Attachment II) was generated and sent to departments, urging them to implement these ideas where applicable and feasible.

### **Conclusion**

The creative, innovative and energetic efforts departments have been undertaking to produce hard savings in these fiscally challenging times will help the County deal with these difficult times. The County's persistent focus on operating in the most efficient way possible has triggered a fresh perspective on how we operate and has gained support from all levels in the organization.

This Office will continue to solicit and pursue efficiency ideas, and encourage departments to implement them where feasible. The complete list of efficiency ideas can be viewed at the Efficiency Initiative Intranet Website: <http://efficiencyinitiative.lacounty.gov/>. If you have any questions or require additional information, please have your staff contact Ellen Sandt at (213) 974-1186, or via email at [esandt@ceo.lacounty.gov](mailto:esandt@ceo.lacounty.gov), or Martin Zimmerman at (213) 974-1326, or via email at [mzimmerman@ceo.lacounty.gov](mailto:mzimmerman@ceo.lacounty.gov).

WTF:BC  
MKZ:FC:ib

### **Attachments (2)**

c: All Department Heads  
Economy and Efficiency Commission  
Quality and Productivity Commission  
Efficiency Initiative Contacts  
Productivity Managers



**WILLIAM T FUJIOKA**  
Chief Executive Officer

## County of Los Angeles **CHIEF EXECUTIVE OFFICE**

Kenneth Hahn Hall of Administration  
500 West Temple Street, Room 713, Los Angeles, California 90012  
(213) 974-1101  
<http://ceo.lacounty.gov>

January 20, 2010

To: All Department Heads

From: William T Fujioka  
Chief Executive Officer

A handwritten signature in black ink, appearing to read "W. T. Fujioka", is written over the printed name and title.

Board of Supervisors  
GLORIA MOLINA  
First District

MARK RIDLEY-THOMAS  
Second District

ZEV YAROSLAVSKY  
Third District

DON KNABE  
Fourth District

MICHAEL D. ANTONOVICH  
Fifth District

### **COUNTYWIDE EFFICIENCY INITIATIVES**

Attached are the Countywide Efficiency Initiative Checklist and a sample to assist each department in the countywide pursuit to save funds and streamline processes without diminishing services. The initiatives listed here are cost saving methods and efficiency suggestions that can be interpreted and modified in order to suit the specific needs of your department. While we understand it is unlikely that every efficiency strategy applies to each department, please bear in mind that the efficiency initiatives on this checklist will be discussed during the departmental budget hearings. Additionally, please list any other efficiency initiatives that have been implemented by your department but are not listed on the checklist.

Given the challenges of the FY 2010-11 budget, your department must strongly consider and implement as many efficiency initiatives as possible, not only the ones listed on this checklist. This checklist serves as a helpful guideline to enhance awareness of efficiency methods that may not have previously been considered.

For more information and recommendations regarding efficiency ideas please consult the County Efficiency Initiative website: <http://efficiencyinitiative.lacounty.gov/> . If you have any questions regarding the Countywide Efficiency Initiative, please contact Frank Cheng at (213) 893-7938 or [fcheng@ceo.lacounty.gov](mailto:fcheng@ceo.lacounty.gov).

WTF:ES  
GS:LG:cg

Attachments

c: Board Chief Deputies

K:\Letters To Department Heads, Word\1-20-10 Countywide Efficiency Initiative.Docx

*"To Enrich Lives Through Effective And Caring Service"*

**Please Conserve Paper – This Document and Copies are Two-Sided  
Intra-County Correspondence Sent Electronically Only**

# Countywide Efficiency Initiative Checklist

ATTACHMENT

Efficiency Area	Brief Description	Status: IMPLEMENTED "YES" or "No"	Date Implemented (or will be Implemented)	Comments or Modifications	Est/Actual Savings FY 09-10	Estimated Savings FY 10-11
Admin Svcs	Direct shipping of supplies to field locations.	<input type="checkbox"/> YES <input type="checkbox"/> NO				
Admin Svcs	Partner with other municipalities or departments to buy supplies in bulk.	<input type="checkbox"/> YES <input type="checkbox"/> NO				
Admin Svcs	Review and validate all bonuses.	<input type="checkbox"/> YES <input type="checkbox"/> NO				
Admin Svcs	Reduce paper calendar order. Use online calendars.	<input type="checkbox"/> YES <input type="checkbox"/> NO				
Admin Svcs	Reduce overtime use.	<input type="checkbox"/> YES <input type="checkbox"/> NO				
Admin Svcs	Reduce postage costs - train clerical staff to send via email or fax when possible.	<input type="checkbox"/> YES <input type="checkbox"/> NO				
Admin Svcs	Reduce purchase of equipment and supplies.	<input type="checkbox"/> YES <input type="checkbox"/> NO				
Admin Svcs	Lower cost (generic) office and construction supplies.	<input type="checkbox"/> YES <input type="checkbox"/> NO				
Admin Svcs	Re-evaluate trainings - 1) One trainer instead of the whole team to off-site training 2) Mandate no OT for training 3) Utilize web-based courses.	<input type="checkbox"/> YES <input type="checkbox"/> NO				
Admin Svcs	Review cellular telephone use/ review the need for pagers.	<input type="checkbox"/> YES <input type="checkbox"/> NO				
Admin Svcs	Sheriff's print shop for general printing needs.	<input type="checkbox"/> YES <input type="checkbox"/> NO		Memo is currently being drafted.		
Facility	Consolidation of space.	<input type="checkbox"/> YES <input type="checkbox"/> NO				
Facility	Disconnect unused phone lines.	<input type="checkbox"/> YES <input type="checkbox"/> NO		See ISD's Zero Usage Project reports for actual savings.		
Facility	Increase recycling programs.	<input type="checkbox"/> YES <input type="checkbox"/> NO				
Facility	Energy conservation initiatives.	<input type="checkbox"/> YES <input type="checkbox"/> NO		See CEO's Dec. 15, 2009 memo for add'l info and ideas.		

# Countywide Efficiency Initiative Checklist

ATTACHMENT

Efficiency Area	Brief Description	Status: IMPLEMENTED "YES" or "No"	Date Implemented (or will be implemented)	Comments or Modifications	Est/Actual Savings FY 09-10	Estimated Savings FY 10-11
HR	Enhanced focus on Return-to-Work and Long-Term Leave.	<input type="checkbox"/> YES <input type="checkbox"/> NO				
IT	Computer server virtualization.	<input type="checkbox"/> YES <input type="checkbox"/> NO				
IT	Desktop virtualization.	<input type="checkbox"/> YES <input type="checkbox"/> NO				
IT	E-mail publications (reduce and/or eliminate printing + distributing costs).	<input type="checkbox"/> YES <input type="checkbox"/> NO				
IT	Imaging and archiving records.	<input type="checkbox"/> YES <input type="checkbox"/> NO				
IT	Implement the use of electronic signatures for approvals.	<input type="checkbox"/> YES <input type="checkbox"/> NO				
IT	Print 2-sided by default.	<input type="checkbox"/> YES <input type="checkbox"/> NO				
IT	Shutdown computers at night or put in sleep mode.	<input type="checkbox"/> YES <input type="checkbox"/> NO				
IT	Software licensing enterprise agreement.	<input type="checkbox"/> YES <input type="checkbox"/> NO				
IT	Video conferencing.	<input type="checkbox"/> YES <input type="checkbox"/> NO				
Program Areas	Replace gas-powered cars with hybrid cars.	<input type="checkbox"/> YES <input type="checkbox"/> NO				
Program Areas	Switch to lower octane fuel.	<input type="checkbox"/> YES <input type="checkbox"/> NO				
Program Areas	Streamlining initiatives.	<input type="checkbox"/> YES <input type="checkbox"/> NO				
Program Areas	Consolidations to reduce costs.	<input type="checkbox"/> YES <input type="checkbox"/> NO				
Program Areas	Interdepartmental collaborations to reduce costs.	<input type="checkbox"/> YES <input type="checkbox"/> NO				
Program Areas	Contract reduction exercise.	<input type="checkbox"/> YES <input type="checkbox"/> NO		See CEO's Sept. 1, 2009 and Sept. 15, 2009 memos for additional information.		
		<input type="checkbox"/> YES <input type="checkbox"/> NO				

DRAFT

# Countywide Efficiency Initiative Instructions

ATTACHMENT

Efficiency Area	Brief Description	Status: IMPLEMENTED "YES" or "No"	Date Implemented (or will be Implemented)	Comments or Modifications	Est/Actual Savings FY 09-10	Estimated Savings FY 10-11
	Summary of the efficiency initiative or proposed objective.	Indicate whether it has been implemented or not.	List the date the initiative began (or will begin).	Briefly explain any steps, attempts or proposed modifications to your efficiency strategy.	List the estimated or actual savings attributed to this efficiency initiative.	
(SAMPLE) Admin Svcs	Review and validate all bonuses.	<input type="checkbox"/> YES	10/1/2009	Review all bonuses and eliminate any that are no longer appropriate.	actual: \$5,000/per month	estimated: \$60,000

SAMPLE



## **COMMON EFFICIENCY IDEAS, PART II**

### ***Managed Print Services***

Manage hardcopy device fleets (copiers, printers, scanners, and multifunction devices) in a unified fashion to reduce overall printing cost (toners, ink, paper, maintenance contract, etc.). Additional features may include on-demand printing, secure printing, follow-me printing, and intelligent job-routing. This initiative is typically implemented with the coordination of a vendor.

Contact – Chief Information Office (CIO)

### ***Thin Client Desktop***

Replace traditional personal computer (PC) with a small desktop box at under \$300 each and centrally manage PC terminal sessions. Additional benefits include reduced power consumption, reduction in PC support staff, and ability to access user data from any terminal or from home.

Contact – Internal Services Department (ISD)

### ***eCommerce***

Utilize credit cards and PayPal to accept payments from the public. Benefits include reduction in fraud, faster processing, less accounting errors, and in some cases, increases in revenue. Chief Executive Office's (CEO) Operations Cluster is currently engaging the eCommerce Readiness Group to explore options.

Contact – Chief Executive Office (CEO)

### ***PC Power Conservation***

Coordinate with IT and instruct all employees to turn off their PCs or put them in StandBy power mode at the end of the day. IT will then issue PC patches and updates routinely on a specific weekday. Average savings is \$5 per PC per month. ISD, CIO, and CEO are also evaluating software solutions that can perform this function automatically and report savings.

Contact – CEO

### ***Unused Phone/Fax Lines***

Reviewing and disconnecting zero-usage fax lines is Phase 2 of the zero-usage project by ISD. Also, departments should consider and investigate the use of fax servers to further reduce costs.

Contact – ISD, Community Development Commission (CDC)

### ***Online Job Applications***

All departments should transition to 100% online job postings and acceptance of electronic job applications to minimize paperwork. Internal job postings should also be announced via e-mails and intranet.

Contact – Not applicable.

### ***Voice Over Internet Protocol (VOIP)***

Consider VOIP for inter-office and intra-office dialing (CDC indicates this has resulted in a significant reduction in monthly phone bills). VOIP can also be connected to the e-mail system, allowing voice mails, missed calls, and even faxes to be viewed/heard through e-mails and Blackberry-like devices.

Contact – CIO, CDC, ISD

### ***Put Manuals and Other Documents Online***

Placing documents on internet and intranet can reduce printing costs and increase efficiency. Departments are encouraged to move from a paper-centric culture to an online environment. Community and Senior Services (CSS) has utilized Microsoft SharePoint as their departmental intranet with notable results. Departments should also consider using the internet to automate certain customer-facing tasks such as self-service and forms online.

Contact – Community and Senior Services (CSS)

### ***Group and Personal Video Conferencing***

Install group and personal video conferencing systems to reduce travel costs and increase productivity. Reduction in travel can also lead to less vehicle damage claims. These systems can also be utilized to provide distant learning/training and applicant interviews. The Departments of Public Works and Parks and Recreation have operational group systems deployed throughout the County. CSS has used personal video systems in conjunction with WebEx, an internet-based collaboration software, to improve communications among managers.

Contact – CIO, ISD, CSS

### ***Cell Phone Stipend***

Provide stipend in exchange for the use of employees' own personal cell phones for business purposes. A workgroup has been formed to create the necessary policy and procedures.

Contact – Auditor-Controller, CEO, Department of Human Resources

***Treasurer and Tax Collector's (T&TC) Bills Remittance Service***

Departments should consider using T&TC's remittance processing service as they have extensive expertise in bill collection.

Contact – T&TC

***Enterprise Software Licensing and Database***

Centralize and consolidate the purchasing of computer software to further reduce County cost. A countywide software licensing database can also lead to re-use and/or transfer of unused software to another department.

Contact – CIO

***Speech Recognition Software***

Utilize speech recognition software such as Dragon Naturally Speaking to automate note-taking and other manual tasks that may be time-consuming for field workers who usually have to write down notes in the field and re-type them at a later time. The software has been used in Return-to-Work cases for employees with Carpel Tunnel Syndrome.

Contact – CSS

***Supply Chain Management***

Utilize industry's best-practice to further reduce costs associated with the procurement of products, with the intent of eliminating the ordering of last-minute products at full retail price.

Contact – Department of Health Services (DHS)

***Utilize Sheriff's Print Services***

Sheriff has a print shop that can handle typical print jobs at a greatly-reduced rate. The cost is usually for materials only, as inmates are utilized as labor and the quality is quite good.

Contact – Sheriff

***Collect Calls***

Departments should examine the cost of collect calls and how they are charged (e.g., for unanswered calls).

Contact – ISD

### ***Vehicle Tracking Devices***

Install GPS devices in County vehicles. Benefits include real-time awareness of all vehicles, ability to select closest vehicle to respond to incidents, and optimization of fleet routes.

Contact – Agricultural Commissioner/Weights and Measures

### ***WiFi Expansion***

Install WiFi access points at facilities frequently visited by County staff such as court buildings, to increase employee productivity while waiting or between meetings.

Contact – ISD

### ***Solid Ink Bricks for Printers***

Consider using solid ink bricks versus toners that are offered by some printing vendors for color laser printers. While solid ink bricks may not save money in comparison to generic toners, it is very “green” as the packaging is minimal. See <http://www.office.xerox.com/solid-ink/enus.html> for one such example.

Contact - CIO

### ***Telecommuting and Flexible Work Schedules***

On a case-by-case basis, departments may want to consider granting employees the option to telecommute on selected days of the week, or offer flexible schedules to minimize overtime charges. This is especially true if the employees are frequently asked to contact customers during afterhours or weekends.

Contact – Public Defender, Department of Children and Family Services

### ***Server Virtualization***

Server virtualization (consolidation of multiple computer servers running multiple applications, into a single, larger physical server) can dramatically reduce the number of hardware purchases for the department. Additional benefits are reduced power consumption, less space requirement, lower air conditioning needs, and faster time to re-purpose a server.

Contact – CIO, ISD

### ***Enterprise Content Management/Workflow/Forms***

Enterprise Content Management suite of products, when implemented correctly, can improve productivity and improve efficiency. It allows departments to develop electronic forms and workflows, and gain more management controls over electronic files.

Contact – CIO

***Enterprise Geographic Information System (GIS)***

Departments should utilize the Enterprise GIS structure at ISD to the greatest extent possible for GIS related work, as the structure is already in place and more utilization equates to lower cost for all participating departments.

Contact – CIO

***Swipe Card System for Time/Attendance Tracking***

Consider requiring certain contractors and employees to clock-in and clock-out using of a swipe card system to record hours worked and validate contractor timesheets, especially if the hourly rate is high (such as contract physicians).

Contact - DHS

***Outbound Dialer***

While the County's mass notification system (<http://alert.lacounty.gov>) can only be used to notify residents in the event of an emergency, the concept of using an "outbound dialer" is not new. Outbound dialer allows organizations the ability to reach a large customer base using pre-recorded messages that's cost-effective (think e-mail distribution that's phone-based).

Contact – ISD

***Review Messenger Service***

Departments should examine the use of messenger services and distribute information electronically as much as possible.

Contact – Not applicable.